

Birmingham City Council



Report to Corporate and Finance Overview and Scrutiny Committee

7 November 2024

Title:	Report and Recommendations of 20 September Budget Scrutiny Task and Finish Group
Lead Member:	Cllr. Sir Albert Bore
Relevant Overview and Scrutiny Committee:	Not Applicable
Has this report been shared with the relevant Overview and Scrutiny Committee Chair?	Not Applicable
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Authorised by:	Marie Rosenthal Interim Monitoring Officer and City Solicitor, Legal and Governance
Is this a Key Decision?	No
Reason(s) why not included on the Forward Plan and confirm who has authorised it to be considered:	Not Applicable
Is this a Late Report?	No
Reason(s) why Late and confirm who has authorised it to be considered:	Not Applicable
Is this decision eligible for 'call in?'	Not Applicable
If 'call-in' has been dis-applied, please provide reason(s) and confirm who has authorised:	Not Applicable
Wards:	Not Applicable
Does this report contain exempt or confidential information?	No

Has this decision been included on the Notification of Intention to consider Matters in Private? Not Applicable

Reasons why not included on the Notification and confirm who has authorised it to be considered: Not Applicable

1 EXECUTIVE SUMMARY

- 1.1 The Corporate and Finance Overview and Scrutiny Committee held a Task and Finish Group to consider the 2024/25 budget pressures in Adult Social Care, Children's Services and City Housing (Temporary Accommodation) This report sets out the recommendations made by the Task and Finish Group for consideration by Cabinet.

2 COMMISSIONERS' REVIEW

- 2.1 Commissioners approve proposals.

3 RECOMMENDATIONS

That the Committee agrees the recommendations from the 20 September 2024 Budget Scrutiny Task and Finish Group, set out below, that:

Cross Cutting Recommendations:

- 3.1 The Executive considers an invest to save programme that includes a robust assessment of the cost / benefit including a reduction in the future demand for high cost statutory services.
- 3.2 The Executive provides transparent figures on the budget pressures including inflationary costs.
- 3.3 Where there is a risk of legal challenge to the savings, that the Executive ensures that any additional legal costs incurred are fully considered and accounted for within either the Legal Services budget or the Directorate making the saving.

Housing: Temporary Accommodation

- 3.4 That the Executive reviews provision of affordable housing supply and ensures policy is implemented or reviewed to enable genuinely affordable housing that will provide a secure home for families and individuals who are currently in Temporary Accommodation.
- 3.5 That the Executive puts in place measures to ensure increased use of the Private Rented Sector to provide a secure home families and individuals who are currently in Temporary Accommodation.
- 3.6 That the Executive put in place measures to support and enable people in larger homes to down-size to accommodation that meets their needs and frees up accommodation for families.
- 3.7 That the Executive finds a solution to the restriction on the use of the Council's General Fund to enable the acquisition of housing units by the Council. It is recommended that the Executive works with the West Midlands Combined Authority to explore all avenues to achieve this.
- 3.8 That the Executive continues to work with other local authorities to lobby Government to ensure that the Local Housing Allowance rate reflects the cost of accommodation.

- 3.9 That the Executive ensures that there is effective communication to people in housing need so they are informed of all the options available to them and the support available.

Adult Social Care

- 3.10 The Executive reviews the different 'pots' of funding available to Adult Social Care to put together an overview of the funding available and how this can be used.
- 3.11 The Executive works with partners to ensure that the 'pots' of funding are used to respond to demand pressures across the public sector.
- 3.12 The Executive accelerates the work to address issues identified and cost pressures as a result of young people transitioning from children's services to adult services.
- 3.13 The Executive accelerates the pace of work to review high cost care packages, in line with the strength based approach¹, and reports the outcomes of this work to the Health and Adult Care O&S Committee.
- 3.14 Ensures that there is effective risk assessments and mitigation arrangements, including the financial implications, put in place for unplanned events that will impact on the demand for health and social care e.g. the effects of a very harsh winter.

Children's Services

- 3.15 That the Executive accelerates the work across Council Services to identify the full cost to the Council to provide the care and support needed by Unaccompanied Asylum Seeking Children to meet statutory requirement and enable them to fulfil their potential.
- 3.16 The Executive explores all options, including working with local authorities across the West Midlands, to provide residential placements for children that are currently often only available through the private sector outside of the West Midlands.
- 3.17 The Executive ensures that any risks resulting from the consequences of potential changes to the charitable status of private schools across the city which may impact the education for children with SEND and the duty to meet the requirements of their Education, Care and Health Plan should be considered.
- 3.18 The Executive accelerates the early help offer being developed with the Children's Trust, NHS and Voluntary Sector, including the pilot at Hodge Hill, to mitigate the risk of increase in demand for statutory services.

¹ The Care Act 2014 requires councils to 'consider a person's own strengths and capabilities, and what support might be available from their wider support network or within the community to help' in considering 'what else other than the provision of care and support might assist the person in meeting the outcomes they want to achieve'. Strengths-based practice is therefore a collaborative approach between the person supported by services and those supporting them, allowing them to work together to determine an outcome that draws on the person's strengths and assets. (From [Strengths based social care | Local Government Association](#))

4 KEY INFORMATION

Context

4.1 The Task and Finish Group considered the budget pressures that have been identified in the 2024/25 financial monitoring and the implications for the Council's budget for 2025/26 and Medium Term Financial Plan.

4.2 Key lines of inquiry considered by the Task and Finish Group were:

- What is the evidence of increase in pressures in year?
- Are the pressures a result of increased demand and / or increase in costs?
- What can be attributed to 'national' pressures and are there specific 'Birmingham' pressures?
- What is being done to address the in year pressures?
- What are we learning from other local authorities?
- What are the implications for the 25/26 budget and Council's Medium Term Financial Plan?
- How is the Council working with partners to collectively make efficiencies / savings across the public sector?

5 RISK MANAGEMENT

5.1 The Task and Finish Group focussed on the areas where there were the greatest budget pressures.

6 MEMBER ENGAGEMENT

6.1 Not Applicable

Overview and Scrutiny

6.2 Not Applicable

Other

6.3 Not Applicable

7 IMPACT AND IMPLICATIONS

Finance and Best Value

7.1 The recommendations of the Budget Scrutiny Task and Finish Group aim to support the Council's work to address budget pressures in 2024/25, opportunities to address the budget gap in 2025/26 and mitigate consequences for the Medium Term Financial Plan. Recommendations for specific directorates have been shared with them to assess and progress accordingly and updates on these can be requested at the relevant scrutiny committees.

7.2 In respect of the proposals on cross-cutting matters, these are or will be incorporated into our processes. In terms of an invest to save programme, we have a £20m budget planned for 2025/26 (as for 2024/25) which is designed to

support directorates in the delivery of their savings by facilitating over a short-term period the additional resource needed to implement the savings proposals. Some of these proposals are targeting demand reductions. Some of this resourcing will also be applied to wider council initiatives such as culture change or ancillary to the overall savings delivery process.

- 7.3 Clarity on budget pressures and inflation assumptions will be set out in the budget setting report as suggested. It is difficult to budget specifically for the potential risk of legal challenge and so this would be addressed through a corporate risk contingency which would also incorporate other risks with a potential financial impact as part of an overall assessment of their likelihood, impact, scale and affordability. The balance to be struck is that in providing for a higher contingency the council would potentially require a higher level of savings in order to balance the overall budget.

Legal

- 7.4 There are no legal implications arising from the recommendations in this report. Any legal implications will be considered as part of the Executive response.

Equalities

- 7.5 The recommendations of the Budget Scrutiny Task and Finish Group relate to adults who are eligible for adult social care services and children, including unaccompanied asylum seeking children, children in local authority residential placements.

Procurement

- 7.6 There are no procurement implications arising from the recommendations in this report.

People Services

- 7.7 There are no staffing implications arising from the recommendations in this report.

Climate Change, Nature and Net Zero

- 7.8 There are no climate change, nature or net zero implications arising from the recommendations in this report.

Corporate Parenting

- 7.9 Recommendation 3.16 requests the Executive considers all options, including working with other local authorities to provide residential placements for children that are currently often only available through the private sector outside of the West Midlands.

Other

- 7.10 Recommendations 3.4 – 3.9 aim to support the Council’s work to reduce the demand and cost of temporary accommodation.

8 APPENDICES

- 8.1 There are no appendices.

9 BACKGROUND PAPERS

- 9.1 There are no background papers.